

Press Release

**Office of the Kansas Securities Commissioner
618 S. Kansas Avenue
Topeka, Kansas 66603-3804**

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Schmidtberger Sentenced in Ellis & Rawlins Counties for Securities Fraud

(Topeka, Kansas) -- Kansas Securities Commissioner Chris Biggs announced today that Hays resident Patrick L. Schmidtberger was sentenced in Ellis County District Court on April 4 to 24 months in prison. He was also sentenced in Rawlins County District Court on April 5 to 24 months, to run concurrent with the Ellis County sentence. Restitution in both cases totals \$22,927.66.

These sentences stem from Schmidtberger's convictions in Ellis County and Rawlins County for unlawful acts in connection with the offer, sale or purchase of securities, commonly known as securities fraud.

An investigation by the Office of the Kansas Securities Commissioner revealed that Schmidtberger solicited money from two residents of Ellis County and one resident of Rawlins County with the promise that he would invest the money on their behalf. The money was never invested, but instead used by Schmidtberger for other expenses. Schmidtberger misrepresented that he had been successfully investing for others and failed to advise that he had been previously convicted in Ellis County District Court for attempted felony theft by deception and that he was on probation at the time of the transactions in question.

Schmidtberger was also revoked from probation on the prior Ellis County attempted felony theft conviction and sentenced to seven months in prison, to run consecutive to the other sentences.

In addition, Schmidtberger was sentenced to 24 months probation for the misdemeanor conviction of giving a worthless check, for which he was convicted today. The probation begins after service of the prison sentence.

As part of the plea agreement that was accepted by the court in February, Schmidtberger, 40, agreed to enter into an administrative order with the Office of the Securities Commissioner in which he will be permanently barred from associating with any broker-dealer or investment adviser in the State of Kansas.

This investigation and prosecution of Schmidtberger was done with the assistance and cooperation of the Offices of the Ellis and Rawlins County Attorneys.

The Office of the Kansas Securities Commissioner is charged with administration and enforcement of the Kansas Securities Act under Chapter 17 of the Kansas Statutes. The Office investigates and prosecutes securities fraud, the offer or sale of unregistered securities and the offer or sale of securities by unlicensed stockbrokers or investment advisers. For more information and investor education resources, visit <http://www.securities.state.ks.us>.